

****ATTENTION****

The City Council meeting will be held in a hybrid format that may include both in-person AND virtual attendance via Zoom. Unless they have cause to appear virtually, Councilmembers will attend the meeting in person in Council Chambers, fifth floor of City Hall, 316 N. 26th Street. In order to honor the Right of Participation and the Right to Know in Article II, Sections 8 and 9, of the Montana Constitution, the City of Billings and City Council are making every effort to meet the requirements of the open meeting laws.

Citizens are invited to:

- . Review the Agenda Packet on the City's website at: www.billingsmt.gov and click on "Your Government," "City Council," and "Agendas & Minutes".
- . View the meeting:
 - . On Community 7 TV - Channel 7 or Channel 507 -- Spectrum Cable. *(On evenings when there is a conflict with School District No. 2 Board meetings, the City Council meeting will be broadcast on Channel 8 - Spectrum Cable.)* Channel 7 or Channel 978 - TDS Fiber.
 - . Online at www.comm7tv.com and click on the "Watch Live" icon. Community 7 also has links to their Facebook page and YouTube channel.
 - . On the City's website at www.billingsmt.gov and click on "Watch Meetings Online" on the homepage.
 - . In-Person.

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- . Mail: City Clerk, P.O. Box 1178, Billings, MT 59103
- . Email: Council@billingsmt.gov.
 - . Emails received after 3:00 PM on the day of the meeting, may be posted on the Council's webpage the following day for public viewing.
- . Attend the meeting in person

Please contact Denise Bohlman, City Clerk, at bohlmand@billingsmt.gov, or at 406.657.8210, with any questions.

WORK SESSION AGENDA

COUNCIL CHAMBERS

OCTOBER 5, 2026

5:30 P.M.

CALL TO ORDER: Mayor Nelson

PUBLIC COMMENT ON ALL ITEMS. This time is set aside for the public to speak to the City Council. Councilmembers will listen but will not respond, ask questions, or discuss comments during this time. Questions or concerns needing a response should be directed to City staff after the meeting. There will also be time in conjunction with each agenda item for public comment relating to that item. You may only speak once for each item during the meeting.

Please note, the City Council cannot take action on any item of significant interest to the public that does not appear on the agenda. Comments are limited to three (3) minutes during each public comment period or as set by the Mayor. Speaker sign-in required. Please sign the roster located at the back of the Council chambers or at the podium.

1. Stormwater System Development Fee.

- Public Comment

2. Proposed Amendments to Article 24, Division 3 and Article 24-1000, BMCC, Accessible Parking and Enforcement.

- Public Comment

3. School Zone Policy Review and Aggressive Driving Initiative.

-Public Comment

HIGHLIGHT UPCOMING AGENDA ITEMS OF COUNCIL INTEREST:

COUNCIL DISCUSSION:

PUBLIC COMMENT on "NON-AGENDA ITEMS". Speaker Sign-in required. *(Restricted to ONLY items not on this printed agenda. Comments are limited to 3 minutes or as set by the Mayor. Please sign the roster located at the back of the Council chambers or at the podium.)*

ADJOURN:

Note:

- This meeting is an "informal" meeting of the City Council. The content of the Agenda is subject to change at the meeting.
- In the event there is a closed executive session to discuss litigation strategy, the other parties to the case(s) discussed are not public bodies or associations as described in Section 2-3-203(1) and (2), MCA. The meeting is closed, as allowed by Section 2-3-203(4)(a), MCA, "to discuss a strategy to be followed with respect to litigation when an open meeting would have a detrimental effect on the litigating position" of the City of Billings. In the event there is a closed executive session to discuss a matter related to an individual's privacy, the presiding officer must determine the demands of individual privacy exceed the merits of public disclosure and the individual has not waived their right to privacy.

City Council Work Session

1.

Meeting Date: 10/05/2026

TITLE: Stormwater System Development Fee

PRESENTED BY: Tyler Westrope

Department: Public Works

Presentation: Yes

Legal Review: No

Project Number: N/A

RECOMMENDATION

No formal action will be taken at this work session. Staff is seeking Council direction on whether to proceed with the proposed stormwater system development fee. If Council supports moving forward, Staff will bring the necessary action to establish the stormwater SDF to the October 26, 2026 regular business meeting for Council consideration.

EXECUTIVE SUMMARY

As a follow-up to previous Council direction, Staff has developed a proposed stormwater system development fee (SDF) to provide a funding source for growth-related stormwater infrastructure. The proposed one-time fee is \$967 per equivalent residential unit (ERU) for residential development. Recognizing the additional onsite stormwater infrastructure required of commercial development, the proposal includes a 47% credit, resulting in a fee of \$513 per ERU for commercial development connected to the City storm drain network and \$329 per ERU for commercial development without a connection to the City storm drain network.

The SDF Advisory Committee and Council Budget and Finance Committee support the proposed stormwater SDF and recommended advancing it to the full Council for discussion. No formal action will be taken at this work session. Staff is seeking Council direction on whether to proceed with formal consideration of the stormwater SDF at the October 26, 2026 regular business meeting.

BACKGROUND (Consistency with Adopted Plans and Policies, if applicable)

As a follow-up to previous Council direction, Staff has developed a proposed stormwater system development fee (SDF) to help fund new stormwater infrastructure needed to serve growth. The City currently assesses SDFs on new development for water and wastewater infrastructure but does not assess an SDF for the stormwater system. An SDF is a one-time fee assessed on new development to recover an appropriate share of the capital costs associated with providing infrastructure capacity for growth. For the stormwater system, the proposed fee is calculated by dividing eligible growth-related system costs by available system capacity, expressed in equivalent residential units (ERUs). Based on this methodology, the calculated stormwater SDF is \$967 per ERU. If adopted, a new single-family residential property would therefore pay a one-time stormwater SDF of \$967.

Based on the previous stormwater rate study and Resolution 26-11347, one ERU represents 3,751.22 square feet of impervious area, which is the measured mean impervious area of a residential lot. Single-family residential properties are assigned one ERU, while commercial properties are assigned ERUs based on the measured impervious area of the development.

Commercial development, however, is subject to different stormwater management requirements than residential development under the City's Stormwater Management Manual. These requirements generally result in commercial developments providing greater onsite stormwater storage and constructing more onsite stormwater infrastructure than would be required if the same property were developed residentially. Because these onsite improvements reduce the development's impact on the City's stormwater system, the SDF Advisory Committee and the Council Budget and Finance Committee (BFC) recommend applying a credit to commercial development. Staff evaluated recent commercial developments to quantify the appropriate credit. Based on that analysis, a 47% credit is supported for commercial development that connects to the City's storm drain network. Applying the credit results in a proposed SDF of \$513 per ERU for commercial development connected to the City storm drain network.

The SDF Advisory Committee also asked Staff to evaluate the system impact of commercial development that does not connect to the City's storm drain network. Because these developments place less demand on City stormwater infrastructure, Staff separately evaluated the costs attributable to this type of development. Based on that analysis, the proposed SDF for commercial development without a connection to the City storm drain network is \$329 per ERU.

Throughout development of the proposed SDF, Staff worked with the City's rate consultant and reviewed the

methodology and proposed fee structure with the SDF Advisory Committee. Staff subsequently presented the proposal to the Budget and Finance Committee on September 16, 2026. Both the SDF Advisory Committee and BFC supported the stormwater SDF concept and recommended advancing the proposal to the full Council for discussion.

Staff is presenting the proposed stormwater SDF at this work session to receive Council direction before proceeding with implementation and any necessary formal Council action.

FISCAL EFFECTS

This item is being presented for Council discussion and direction only; therefore, there are no immediate fiscal effects associated with this work session.

If Council subsequently adopts the proposed stormwater SDF at a regular business meeting, the fee is estimated to generate approximately \$800,000 annually, based on anticipated development activity. Revenue generated by the SDF would provide a dedicated funding source for eligible stormwater capital improvements needed to serve growth.

STAKEHOLDERS

ALTERNATIVES

The Council may:

- Direct staff to present the stormwater SDF at a future regular business meeting for a Council vote and adoption of the SDF, or;
- Direct staff to stop work on development of a stormwater SDF.

Attachments

Storm SDF Draft Report



CITY OF BILLINGS

Stormwater System Development Fee

DRAFT

Submitted by:

FCS, a Bowman company
7525 166th Ave NE
Ste D-215
Redmond, WA 98052
P: 425.867.1802

Submitted to:

Tyler Westrope, PE
Office of the City Engineer
316 N. 26th Street – 5th Floor
Billings, MT 59101
P: 406.247.8656

September 2026



September 3, 2026

Tyler Westrope, PE
Office of the City Engineer
316 N. 26th Street – 5th Floor
Billings, MT 59101

Re: Stormwater System Development Fee

Dear Mr. Westrope:

FCS is pleased to submit this report documenting the stormwater system development fee (SDF) analysis conducted for the City of Billings. SDFs are one-time fees, generally paid at the time of permit issuance. These charges help provide equity between existing and new customers, and they also provide a source of funding for utility-related capital projects as growth occurs. The resulting SDF per equivalent residential unit (ERU) is **\$967**.

The report also recommends a stormwater SDF of **\$513 per ERU** for all commercial development (reflecting a 47% credit) and **\$329 per ERU** for commercial development not connected to the City's stormwater infrastructure (reflecting a 66% credit).

The detailed methodologies used to arrive at these results are provided in this report.

It has been a pleasure to work with you and other City staff on this effort. Please let us know if you have any questions or need additional information. Tage can be reached at (425) 615-6487 or Tage.Aaker@bowman.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Ghilarducci".

John Ghilarducci
Principal

A handwritten signature in blue ink, appearing to read "TAGE AAKER".

Tage Aaker
Senior Project Manager

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1.0 Introduction

Study Background

In 2020, the City of Billings, Montana (City) contracted with FCS, a Bowman company and DOWL to review the City's stormwater program and develop supporting rates and system development fees. The City's stormwater program inspects and maintains the existing stormwater system, constructs new facilities to address drainage issues and improve water quality, works with businesses and residents to reduce pollution, monitors the health of waterways within its service area, responds to flooding from storms, and works to maintain compliance with applicable regulations.

The City bills and collects fees from customers within its service area to provide the resources needed to plan, manage, design, construct, maintain, and upgrade its stormwater system. In FY 2024, based on the recommendations of this study, the City Council implemented a rate increase coupled with a more equitable rate structure. In FY 2025 and 2026, the Council approved rate increases to further support the City's initiatives, specifically allocating resources toward stormwater system deferred maintenance and capital projects.

Now, the City has the option to introduce a stormwater system development fee (SDF) as an additional cost recovery mechanism for capital projects. An SDF is a method of recovering from new customers a proportionate share of the utility's investment in capital infrastructure. The charge is imposed on both new development and redevelopment that increases demand for system capacity.

General Legal Overview

The City has the legal authority to implement a stormwater SDF through both local ordinance and state law.

Locally, Chapter 28 of the Billings Municipal Code establishes the City's authority to regulate stormwater management and control, including the development and enforcement of programs to address runoff from new developments and redevelopment projects. This chapter, section 28-101(1)(h), explicitly provides for an equitable distribution of program costs, including but not limited to a fee schedule for storm sewer services.

At the state level, Montana Code Annotated (MCA), Title 7, Chapter 6, Part 16 authorizes local governments to impose impact fees for infrastructure needs, including stormwater facilities. Note that the City refers to these types of fees as *system development fees*, but the legal framework is based on Montana *impact fee* law, which is consistent with how the City calculates its water and sewer system development fees. The remainder of this report will refer to these fees as system development fees, except for specific references from the MCA.

Montana Code Annotated 7-6-1601,1602: "An Impact fee means any charge imposed upon development by a governmental entity as part of the development approval process to fund the additional service capacity required by the development from which it is collected. ... The impact fees imposed may not exceed a proportionate share of the costs incurred or to be incurred by the governmental entity in accommodating the development."

Together, these authorities empower the City to assess and collect stormwater system development fees to support sustainable water quality and stormwater infrastructure. **Section 2** will provide more detail on the prescribed legal framework per Montana Code Annotated.

2.0 Legal Framework

As previously noted, MCA Title 7 *Local Government*, Chapter 6 *Financial Administration and Taxation*, Part 16 *Impact Fees to Fund Capital Improvements* authorizes local governments to impose impact fees for infrastructure needs, including stormwater facilities. In summary, impact fees must recover only growth's proportional share of eligible capital improvements and cannot include costs for correcting deficiencies.

According to MCA 7-6-1601(1)(a), capital improvements "means improvements, land, and equipment with a useful life of 10 years or more that increase or improve the service capacity of a public facility." Notably, MCA 7-6-1601(7)(d), defines a public facility to include a "storm water collection, retention, detention, treatment, or disposal facility or a flood control facility."

The MCA provides specific guidelines and methodologies for calculating and administering impact fees. In particular, MCA 7-6-1602(2) outlines the requirements for an impact fee methodology report:

- (a) describe existing conditions of the facility;
- (b) establish level-of-service standards;
- (c) forecast future additional needs for service for a defined period of time;
- (d) identify capital improvements necessary to meet future needs for service;
- (e) identify those capital improvements needed for continued operation and maintenance of the facility;
- (f) make a determination as to whether one service area or more than one service area is necessary to establish a correlation between impact fees and benefits;
- (g) make a determination as to whether one service area or more than one service area for transportation facilities is needed to establish a correlation between impact fees and benefits;
- (h) establish the methodology and time period over which the governmental entity will assign the proportionate share of capital costs for expansion of the facility to provide service to new development within each service area;
- (i) establish the methodology that the governmental entity will use to exclude operations and maintenance costs and correction of existing deficiencies from the impact fee;
- (j) establish the amount of the impact fee that will be imposed for each unit of increased service demand;
- (k) have a component of the budget of the governmental entity that:
 - (i) schedules construction of public facility capital improvements to serve projected growth;
 - (ii) projects costs of the capital improvements;
 - (iii) allocates collected impact fees for construction of the capital improvements; and
 - (iv) covers at least a 5-year period and is reviewed and updated at least every 5 years.

The following subsections explain how the City's approach to calculating these fees addresses each item.

Describe Existing Conditions of the Facility (a)

FCS used information from City staff and its consulting engineer, DOWL, to estimate how much of the City's existing stormwater infrastructure was available to serve growth (approximately 18 percent). That methodology and process will be described further in a subsequent section.

Establish Level-of-Service Standards (b)

In its 2022 report *Stormwater Utility Development – Phase II*, DOWL outlined different service levels for the City. The service levels were named minimum, proactive and best practice. Following discussions with the City Council and the Budget and Finance committee, rates for FY 2025 were adopted to support a service level that falls between proactive and best practice. The City Council also approved a rate increase for FY 2026 to maintain this standard, which applies citywide and forms the baseline for evaluating which projects to include in the ten-year planning period.

Forecast Additional Needs & Capital Improvements (c), (d), (e)

To maintain the adopted level of service as the City grows, it is necessary to maintain and, in some cases, expand stormwater infrastructure to manage water quality and address localized flooding as impervious surface area and related runoff increase. In its September 2026 memo, *WO 20-37 Stormwater Utility Rate – SDF & Parkland Impervious Quantification*, DOWL summarized fourteen capital projects that are scheduled to be completed over the next ten years, totaling \$38.3 million (2024 dollars).

The City's stormwater system development fee is based on the estimated capital costs required to support new development at the City's targeted level of service. Only the portion of those capital projects that will serve growth is included in the fee calculation, ensuring a rational nexus between the fee and the development it supports. Operating and maintenance costs are excluded from these estimates. **Exhibit 4** details this information.

Service Area Determination (f), (g)

Based on discussions with City staff and DOWL, it was determined that a single, citywide service area is ideal because it aligns with the adopted level-of-service standard—set between proactive and best practice—which supports consistent stormwater management across the service area. A stormwater utility protects properties from flooding and runoff, keeps roads passable for daily and emergency travel, and improves water quality by managing pollution from stormwater—all of which benefit the entire service area.

Additionally, the City's stormwater rate is applied citywide. So, the single service area would make the system development fee and the rate approaches consistent. Lastly, the complexity and administrative burden of multiple service areas is avoided.

Study Period and Proportionality (h), (i)

The \$38.3 million capital plan previously noted is based on a ten-year forecast prepared by City staff and DOWL. It is our understanding that this is consistent with the time period incorporated into the City's water and sewer system development fee calculations.

A central principle noted in the MCA is that impact fees must be proportionate to the impact of the development. The MCA 7-6-1602(1), (2) requires that the governing body have a capital improvement plan and

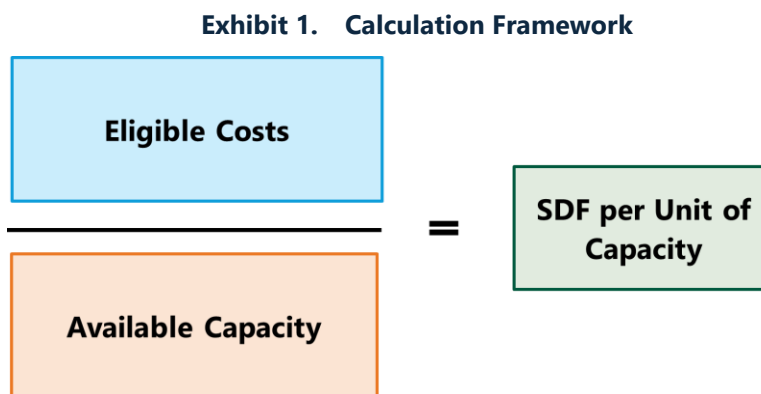
demonstrate that the fees are based on a reasonable relationship between the fee and the development's impact. MCA 7-6-1603(1) reinforces this by stating that the collection and expenditure of impact fees must be "reasonably related to the benefits accruing to the development paying the impact fees."

City staff and DOWL estimated the areas impacted by each project and determined how much of that area was already developed versus vacant but developable (i.e., available for growth), as documented in the September 2026 memo from DOWL, *WO 20-37 Stormwater Utility Rate – SDF & Parkland Impervious Quantification*. Under this approach, a growth percentage was derived for each project to determine the growth-related cost to include in the calculation.

Impact fees / SDFs cannot be used to correct existing deficiencies in public facilities. MCA 7-6-1602(2)(i) explicitly requires that an impact fee's methodology will "exclude operations and maintenance costs and correction of existing deficiencies from the impact fee." This ensures that new development is not unfairly burdened with costs that should be borne by existing customers. By specifically estimating the growth portion of each project, the calculation excludes all capital costs estimated to serve current development (i.e., existing deficiencies).

Establish the Impact Fee for Each Unit of Service (j)

Exhibit 1 outlines the SDF calculation for the stormwater program: eligible costs are divided by the available capacity over the planning period. The resulting stormwater SDF is shown as a dollar amount per unit of capacity, or in this case, per equivalent residential unit (ERU).



Consistent with the City's adopted monthly rate structure, as noted in *Resolution 26-11347*, one ERU is generally based on the type of development and associated impervious coverage. The following land use distinctions are used in this determination:

- Each single-family residential property = 1.0 ERU.
- Each duplex = 1.5 ERUs.
- Commercial properties are assigned ERUs based on measured impervious area, where one ERU is defined as 3,751.22 impervious square feet.

Budget Unit Dedicated to Stormwater (k)

The City complies with MCA 7-6-1602(2)(k) by using stormwater funds (8400 & 2070) and a five-year capital improvement plan, updated annually. This plan outlines infrastructure projects, estimated costs, and funding sources. Staff also maintain an internal long-term planning document to guide future needs. That long-term planning document informs the ten-year forecast of capital projects identified in the stormwater SDF calculation.

3.0 SDF Numerator: Eligible Costs

The capital costs (the “cost basis”) used in the SDF calculation can be separated into two major categories:

- **Existing infrastructure.** These costs represent the net investment in assets that currently provide service to existing customers and have capacity for future customers. Only the portion of infrastructure estimated to be available to serve growth is included in the SDF calculation. Any asset identified as being contributed (e.g., developer donation) is excluded from the calculation.
- **Future capital projects.** These costs refer to capital improvement projects that the utility plans to undertake within the next ten years. Only the portion of each capital project estimated to add capacity to serve growth is included in the SDF calculation. Any portion of a project that is expected to be funded with grants is excluded from the calculation.

Existing Infrastructure – Growth Portion

The process for estimating eligible existing infrastructure cost for the SDF calculation involves two steps. First, fixed assets net of adjustments is determined, followed by allocating a portion of those assets to growth.

Calculate Fixed Assets Net of Adjustments

The first step in estimating the eligible asset cost for the SDF calculation is to determine the net value of fixed assets by adjusting for original cost, excluding developer contributions, subtracting debt principal outstanding, and removing short-lived equipment:

- **Original cost:** MCA 7-6-1602 (5) notes that the impact fee should be “based upon the actual cost of public facility expansion or improvements.” Therefore, the analysis starts with the original cost of fixed assets currently in service based on City records.
- **Exclude equipment:** Under MCA 7-6-1601(1)(a), capital improvements are defined to include equipment with a useful life of 10 years or more that increases or improves the service capacity of a public facility. This means that eligible equipment—such as stormwater maintenance vehicles, sweepers, vector trucks, etc.—can be included in SDF calculations only if they meet the longevity and service enhancement criteria. The City of Billings only has a few stormwater maintenance specific vehicles (e.g., dump trucks) that meet the longevity and service enhancement criteria. Additionally, only a fraction of this limited equipment can be attributed and applied to new growth. For those reasons, equipment assets were excluded entirely from the SDF calculation. This adjustment is minor, as eligible equipment comprises less than one-half of one percent of stormwater assets, and the burden to maintain and update this equipment data does not match the negligible change to the SDF fee.
- **Exclude Debt Principal Outstanding:** Outstanding debt is the unpaid portion of the system's cost still being recovered through rates. For this model, the outstanding principal is subtracted from the existing cost basis, ensuring new development is not charged for infrastructure that existing users are already repaying through their rates.
- **Exclude contributions:** MCA 7-6-1602 (5) goes on to note that the amount of the impact fee should be based on the cost incurred by the governmental entity. If an asset was constructed and paid for by a developer, as part of the developer’s obligations, that is not a cost incurred by the City of Billings. Therefore, those contributed assets, where noted, are excluded from the calculation.

After adjustments, the net original cost of fixed assets is about \$55.4 million (see **Exhibit 2**).

Exhibit 2. Existing Fixed Assets Net of Adjustments (end of FY 2024)

Description	Amount
Original Cost	\$96,790,000
Less: Equipment in Fixed Assets	(790,000)
Less: Debt Principal Outstanding	(8,540,000)
Less: Fixed Assets Funded via Contributions	(32,030,000)
Total Net Existing Fixed Assets	\$55,430,000

Note: Total may differ slightly due to rounding.

Estimating Growth's Share of Net Fixed Assets

The next step in estimating the eligible asset cost for the system development fee calculation involves determining how much of the City's \$55.4 million in net fixed assets can be allocated to growth.

To support this analysis, City staff and its consulting engineer conducted a GIS-based review of the existing pipe and ditch inventory to identify summary-level asset location. It was estimated that 94% of assets are within City limits and 6% are in annexation areas, as documented in the September 2026 memo from DOWL, WO 20-37 *Stormwater Utility Rate – SDF & Parkland Impervious Quantification*.

Next, that team evaluated development status within each area to assess how much of the infrastructure serves existing development versus future growth. Within City limits, 85% of parcels are developed, meaning 15% of assets in that area are available to serve growth. In contrast, annexation areas are only 41% developed, with 59% of assets in those areas considered available to support new development.

The weighted average of the two areas is approximately 18%. **Exhibit 3** shows that based on these weighted adjustments, \$9.7 million of the \$55.4 million is estimated to serve new growth.

Exhibit 3. Net Existing Fixed Assets Allocated to Growth

Description	Amount
Net Existing Fixed Assets	\$55,430,000
Estimated Allocation to Growth	18%
Existing Fixed Assets Allocated to Growth	\$9,740,000

Note: Total may differ slightly due to rounding in the percentage shown.

Future Capital Projects – Growth Portion

Then, to estimate the portion of each project attributable to growth, City staff and DOWL calculated the total acreage affected by each project and identified how much of that land is currently developed versus available for future development—resulting in a unique growth percentage assigned to each project. In total, \$13.3 million of future capital projects is assumed to serve growth and is therefore included in the SDF calculation.

Exhibit 4. Future Cost Basis Allocated to Growth

Project	Estimated Cost in Service Area	Allocation to Growth (%)	Growth Allocation (\$) Rounded
54th St West: Rimrock To Grand & West End Regional Detention	\$4,600,000	28%	\$1,306,000
Grand Avenue Extension	\$1,000,000	4%	\$36,000
Babcock from Nutter to Sourdough	\$2,300,000	20%	\$461,000
Bitterroot and Wicks	\$4,110,522	11%	\$436,000
King Park Drainage	\$1,800,000	4%	\$65,000
East Lane to Elysian	\$3,600,000	76%	\$2,723,000
Cody Lane to Wicks Lane	\$3,000,000	6%	\$189,000
Rimrock Road: 54th to 62nd	\$3,000,000	25%	\$747,000
Hogans Slough Improvements	\$1,280,000	35%	\$452,000
Arnold Drain Improvements	\$3,000,000	29%	\$869,000
Grand Avenue 44th to Shiloh Drain	\$4,000,000	73%	\$2,939,000
Birely Drain - Rimrock to 48th	\$3,200,000	49%	\$1,556,000
Rimrock Road: Clearview to 54th	\$2,000,000	70%	\$1,396,000
Expo and 1st MDT Contribution	<u>\$1,400,000</u>	9%	<u>\$122,000</u>
Totals	\$38,290,522		\$13,297,000

Total Cost Basis

The cost basis for the system development fee totals approximately \$23.0 million allocated to growth. This includes \$9.7 million in existing infrastructure and \$13.3 million in planned capital projects.

4.0 SDF Denominator: Growth Capacity

The MCA requires that the City assign a proportionate share of capital costs to new development when calculating impact fees. To meet this requirement, only infrastructure that will serve growth is included in the numerator (**Section 3.0**), and only the growth that can be served by that infrastructure is included in the denominator. In this case, the denominator is expressed in equivalent residential units (ERUs), based on the amount of developable land and assumed impervious surface coverage.

The capital projects previously identified are expected to serve approximately 2,560 vacant acres that could be developed in the future. Applying an assumption of 80% impervious coverage results in an estimated 89.3 million square feet of future impervious area that could be developed. Dividing this by 3,751.22 square feet per ERU (the City's standard) yields roughly 23,800 ERUs, as shown in **Exhibit 5**. The City now serves about 92,000 ERUs, and these capital projects support roughly 26% growth.

Exhibit 5. Growth ERUs served by Capital Projects

Description	Amount (rounded)
Vacant area served by capital projects (acres)	2,560
Vacant area impacted by projects (square feet)	111,684,000
Impervious coverage percentage estimate once developed	80%
Estimated impervious square feet once developed	89,347,000
Equivalent Residential Unit (ERU) definition (impervious square feet)	3,751
Total New ERUs Served	23,800

While a lower impervious percentage could be argued, the use of an 80% assumption is intentionally conservative. Based on discussions with City staff and DOWL, 75–80% is considered a reasonable “textbook” figure in the absence of detailed site-specific plans. Using the higher end of that range results in a greater number of ERUs, which in turn slightly lowers the calculated system development fee per unit. All else being equal, this leads to a more defensible fee structure, as it reduces the likelihood of overstating the financial burden on new development while still maintaining proportionality and compliance with statutory requirements. This assumption can be modified over time as additional basin-specific data is known.

5.0 Summary of Inputs & SDF Calculation

Summary of Methodology and Inputs

The City of Billings conducted an analysis to establish a stormwater system development fee (SDF) that equitably charges new developments for the capital costs of stormwater infrastructure needed to serve growth. The SDF is a one-time fee charged to new developments to help fund additional stormwater infrastructure capacity required, ensuring fairness between existing and new customers.

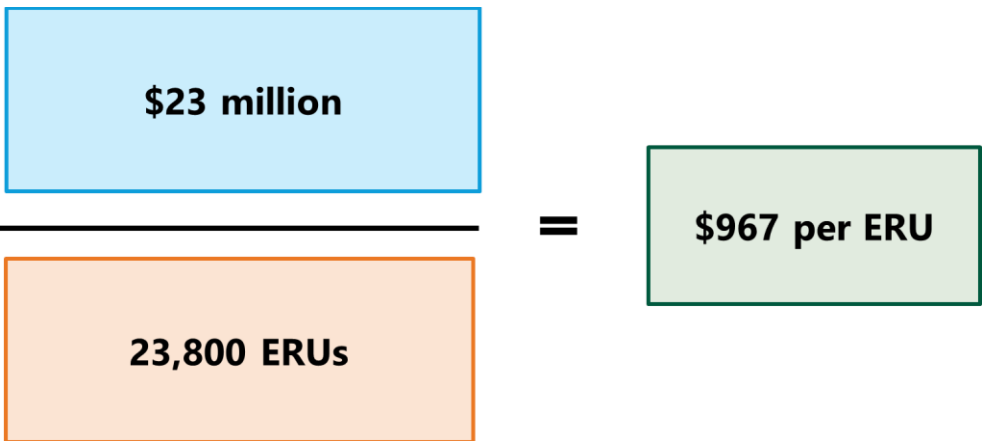
The City has authority under local ordinance and Montana state law to impose impact fees limited to proportionate shares of capital costs for new development, excluding operation, maintenance, and correction of existing deficiencies. The key calculation components previously discussed are summarized below:

- **Existing infrastructure portion of numerator:** The net original cost of existing stormwater fixed assets—excluding developer contributions, outstanding debt, and short-lived equipment—is approximately \$55.4 million. Based on a developed versus undeveloped land analysis, about 18% is attributable to growth, resulting in an existing cost basis of \$9.7 million.
- **Future capital projects portion of numerator:** Fourteen planned capital projects totaling \$38.3 million (2024 dollars) are identified for the next ten years, with \$13.3 million allocated to growth based on the proportion of affected undeveloped land.
- **Total numerator:** Existing and future portions of the numerator combine to \$23 million.
- **Growth capacity denominator:** The fee denominator is based on approximately 23,800 equivalent residential units (ERUs) representing developable vacant land with an assumed 80% impervious surface coverage, consistent with City standards.

SDF Calculation

The calculated SDF for the City’s stormwater utility is **\$967 per ERU**, as shown below in **Exhibit 6**. As required by MCA 7-6-1602, the City should update this analysis at least once every five years. Potential SDF credits are discussed in the following section.

Exhibit 6. SDF Calculation



6.0 System Development Fee Credits

General Overview for SDF Credits

System development fees are intended to ensure new development pays its proportionate share of the capital improvements needed to provide service capacity. Under Montana law, impact fees must reflect the additional demand created by development and be based on a proportionate share of system costs attributable to that growth. Under this framework, credits may be appropriate where a development reduces demand on the public system or provides capacity-serving improvements. Any credit must maintain a clear relationship between the fee charged and the development’s impact.¹ To inform a potential SDF credit approach, the City’s consulting engineer, DOWL, evaluated various development requirements, as summarized in the following section.

Base Credit for Commercial Developments

In Billings, commercial developments are subject to more stringent stormwater management requirements than typical residential subdivisions, including requirements to retain runoff for storms up to the 50-year event. By comparison, standard residential subdivision criteria require detention to limit post-development discharge rates to pre-development conditions for the 2-, 10-, and 100-year storm events, with the 100-year storm typically governing the required storage volume. This difference in policy results in commercial property managing more stormwater onsite than a comparable sized residential subdivision development.

To quantify this difference, DOWL evaluated 29 recently approved commercial projects, ranging from 0.17 acres to 18.3 acres with a median size of 0.99 acres. For each site, the required 50-year retention volume under commercial standards was compared with the storage volume required under standard subdivision detention criteria. **Exhibit 7** summarizes the minimum, maximum, average, and median percent reductions resulting from this analysis.

Exhibit 7. Storage Reduction Subdivision vs. Commercial

Description	Result
Minimum Storage Reduction	10%
Maximum Storage Reduction	75%
Average Storage Reduction	42%
Median Storage Reduction	47%

The analysis shows that these commercial projects provide a wide range of reductions, from 10% to 75%, depending on the development's size and imperviousness. The average and median values show reductions of

¹ https://mca.legmt.gov/bills/mca/title_0070/chapter_0060/part_0160/section_0020/0070-0060-0160-0020.html

42% and 47%, respectively. Based on this analysis, which demonstrates that commercial developments provide more on-site stormwater storage than residential subdivisions, DOWL and FCS recommend a policy that applies a uniform 47% Stormwater SDF credit to all non-single-family developments to reflect their reduced reliance on the public system and to ensure an administratively simple and consistent approach. No credit is recommended for single-family residential development, including duplexes.

The median storage reduction was selected because a small number of outlier developments experienced relatively limited reductions, which skewed the average downward. As a result, the median provides a more representative measure of the typical storage reduction across the evaluated sites.

Additional Credit for Developments Not Connected to City's System

A separate question is whether commercial developments lacking a direct physical connection to the City's stormwater conveyance system—whether by design or due to the absence of available infrastructure—warrant an adjustment above and beyond the base 47% credit.

The analytical basis for an additional credit is tied to relative system impact. Commercial developments without a direct connection to the City's stormwater conveyance system (e.g., pipes or ditches) cannot readily discharge stormwater to the public system and must manage runoff on site. As a result, these developments often require more robust on-site controls than connected properties, which can reduce demand on the public system.

However, the absence of a direct connection does not eliminate system impact entirely. Runoff from unconnected developments may still reach the public stormwater system through overland flow, groundwater interaction, or localized drainage patterns. Additionally, in many cases, new infrastructure is still needed to serve development in expanding areas of the City. Therefore, their burden on the public system may be reduced relative to directly connected properties—but it is not absent. Accordingly, this framework establishes a tiered credit structure. All commercial development is eligible for the base credit (i.e., 47%). Unconnected commercial developments may qualify for an additional credit reflecting their further-reduced system impact, subject to the technical methodology set forth below.

Rationale for Additional Credit

Public roads and rights-of-way (ROW) represent approximately 34% of all impervious surface within the service area. Because public streets are a foundational component of the stormwater conveyance system, the City bears ongoing responsibility for constructing and maintaining these assets and managing the runoff they generate—irrespective of how effectively private property owners control stormwater on their own parcels.

This shapes how credits are applied: no matter how well a private development manages its own runoff, it does not reduce the City's obligation to construct and maintain infrastructure in the public right-of-way. Some portion of the SDF is therefore attributable to system-wide costs that all development within the service area contributes to, regardless of individual site design.

Accordingly, FCS recommends establishing the maximum SDF credit at 66%, which reflects the share of system demand attributable to private development after accounting for the 34% associated with public ROW.

Credit Summary

The City's rate ordinance defines three development categories: single-family residential, duplex, and commercial. The SDF credit framework presented here applies only to commercial development and establishes two key thresholds:

- **Base credit (47%):** All qualifying commercial development is eligible for a credit of 47%, reflecting the greater on-site storage these sites provide compared to single-family and duplex development and their reduced reliance on the public stormwater system.
- **Maximum credit (established at 66%):** The total credit available under any scenario is set at 66%, recognizing that public roads and rights-of-way account for approximately one-third of impervious surface—and associated system costs—which all development must support regardless of on-site mitigation. Specifically, this credit would be for commercial developments that are not connected to the City's stormwater system.

No SDF credit is provided for single-family residential or duplex development, as these categories continue to rely on downstream public system capacity.

Exhibit 8 illustrates how the unadjusted system development fee is applied under the base credit and maximum credit scenarios.

Exhibit 8. System Development Fees with and without Credits

Description	SDF
Unadjusted Stormwater SDF	\$967 per ERU
Stormwater SDF with 47% Credit (commercial connected to the City's system)	\$513 per ERU
Stormwater SDF with 66% Credit (commercial not connected to City's system)	\$329 per ERU

City Council Work Session

2.

Meeting Date: 10/05/2026

TITLE: Amendments to Accessible Parking and Parking Enforcement Provisions, BMCC

PRESENTED BY: Tracy Scott, Parking Manager

Department: Parking

Presentation: Yes

Legal Review: Yes

Project Number: N/A

RECOMMENDATION

Staff is presenting proposed amendments to the Billings, Montana City Code (BMCC) concerning accessible parking and related parking enforcement procedures for City Council discussion and input. The following is a list of the amended ordinances:

- BMCC 24-441 Purpose
- BMCC 24-442 Definitions
- BMCC 24-443 Accessible parking; extent of privileges; prohibited parking
- BMCC 24-443.1 Requirements for accessible parking spaces
- BMCC 24-445 Penalty
- BMCC 24-1004 Parking violation—Procedure Generally
- BMCC 24-1007 Authorization to tow or use vehicle immobilizer
- BMCC 24-1008 Procedure for vehicle immobilization
- BMCC 24-1011 Penalty for violations

Staff requests Council's direction on the proposed changes, so a revised ordinance may be brought back for a public hearing and first reading at a future business meeting.

EXECUTIVE SUMMARY

Staff requests Council discussion and input on the proposed accessible parking and parking enforcement amendments. The amendments are intended to update City Code terminology and procedures, establish a consistent accessible parking fine, and clarify how qualifying parking authorization is reviewed after a citation. Following Council's direction and final legal review, staff would return with an ordinance for public hearing and first reading.

BACKGROUND (Consistency with Adopted Plans and Policies, if applicable)

The proposed amendments update BMCC Article 24, Division 3, Accessible Parking for Persons with Disabilities, and related provisions in Article 24-1000. They revise outdated terminology and definitions, address use of accessible parking spaces and access aisles, and refer to applicable state and federal requirements for accessible spaces and signs.

The draft establishes a **\$250 fine** for violations of Division 3. It also provides a process to void a citation when a person presents qualifying parking authorization that was issued before the violation and valid at the time, within **three business days** after the citation. Related enforcement amendments would increase the unpaid parking citation threshold for vehicle immobilization from **\$50 to \$200**. The attached redline shows the proposed language.

FISCAL EFFECTS

Implementation may involve costs to update City-controlled accessible parking signs and related materials. The proposed fine and vehicle immobilization threshold may also affect citation revenue and collections. **The net fiscal effect has not yet been determined.** Staff will provide an estimate if needed before the ordinance returns for action.

STAKEHOLDERS

Stakeholders include people who use accessible parking, other motorists, owners and operators of property with accessible parking spaces, and the City employees and other agencies that issue parking citations. Parking Division staff will coordinate implementation of the ordinance and updates to City-controlled signs with the appropriate City departments.

ALTERNATIVES

City Council may:

- Direct staff to bring the proposed amendments to a future business meeting for consideration;

- Suggest changes and direct staff to bring a revised ordinance to a future business meeting; or
- Direct staff not to proceed with the proposed amendments at this time.

Attachments

Parking Violation Revisions
Ordinance Revisions Presentation
Accessible Parking Revisions

Sec. 24-1004. Parking violation—Procedure generally.

(a) *Violation for improperly parked vehicle.*

- (1) Whenever any motor vehicle, unattached trailer, or unattached camper, with or without a driver, is found parked or stopped in violation of any of the restrictions imposed by ordinance of this city or by state law, the vehicle may be cited for the appropriate parking violation. The citation shall be in a form authorized by the city. The city employee issuing the citation shall note the vehicle's license plate or vehicle identification number and any other information concerning the vehicle that will identify it and, if the driver is not present, shall serve the citation by placing same on the vehicle, by serving the citation on the owner/operator of the vehicle in person, or by serving the citation by regular mail on the registered owner at the registered owner's address as shown on the records of the motor vehicle division of the owner's state of residence.
- (2) The registered owner of a vehicle at the time the violation occurred shall be liable for all fines, fees and penalties related to the specific violation.
- (3) The registered owner at the time a vehicle is found to be in violation of any provisions of this article shall remain liable for all violations despite having subsequently sold, transferred, or otherwise conveyed the vehicle.
- (4) A citation issued for a violation of BMCC 24-443, or for violation of Montana law regarding accessible parking spaces or access aisles, shall be voided if, within three (3) business days after the date the citation is issued, the person cited presents to the parking division a disability parking permit, disability parking placard, disability license plate, qualifying disabled veteran license plate, or other authorization recognized under applicable law that was issued to that person before the violation occurred and was valid at the time of the violation.

(b) *Citations.* Employees under the supervision of the parking manager, as well as code enforcement personnel, college campus police, airport police and those under the supervision of the chief of police are authorized to provide enforcement of parking regulations and issue related citations for parking violations as set forth in the BMCC or violations of MCA tit. 61 (Motor Vehicles) and MCA 49-4-302 (Disability Parking Permits). Employees under the supervision of the parking manager and under the supervision of the chief of police are authorized to immobilize and/or impound a vehicle in accordance with this section.

- (1) The form of the citation shall be designated by the city, but shall contain in substance the following information:
 - a. A statement that the citation represents a determination that a violation of this article or other parking prohibition has been committed

by the owner or user of the vehicle and that the determination shall be final unless contested as provided by this article;

- b. A statement that failure to pay a violation may result in immobilization and/or impoundment of the vehicle for which the owner may be liable for penalties and fees, including towing, handling and storage costs;
 - c. A statement of the specific provision of this article violated and for which the citation was issued;
 - d. A statement of the monetary penalty established for the parking violation, including that the violation may subject the owner to additional administrative fees if not paid within twelve (12) calendar days of the date of issuance of the citation; and
 - e. Information advising the owner of the vehicle that they must admit the violation and pay the associated penalty, or deny the violation and request an appeal pursuant to subsection (d).
- (2) The citation represents a determination that a violation has been committed, and such determination shall be final unless contested as provided herein.
 - (3) Nothing herein shall be deemed to invalidate any previous notice or citation issued by the city regarding a violation under this article or other parking prohibition.
 - (4) The original citation must be filed with the parking division and may be disposed of only by official action of the city or by payment of a fine to the finance department or parking division.

(c) *Response to citation required.*

- (1) Any person who receives a citation ~~for~~ a violation of this article shall respond to such citation as provided herein within twelve (12) calendar days of the date of the issuance of the citation, by either paying the penalty set forth in the citation or requesting an administrative appeal pursuant to subsection (d) of this section. If the person receiving the citation fails within twelve (12) calendar days to either pay the penalty or to request an administrative appeal, said failure shall result in the assessment of an administrative fee as established by resolution which shall be in addition to the penalty.
- (2) If the owner of a vehicle cited for a parking violation has not responded to the citation within twelve (12) calendar days as provided in subsection (c) (1) of this section, the city shall send a written notice of the citation no more than sixty (60) calendar days from the date of issuance of the citation by regular mail to the last known address of the registered owner of the vehicle. Such notice shall state that if the owner of the vehicle does not respond to the written notice within thirty (30) days from the date of

issuance of the notice of the citation by either paying the penalty and possible administrative fee or by requesting in writing an administrative appeal pursuant to these procedures, the owner shall be deemed to have waived the owner's right to an administrative appeal and the determination that a violation was committed shall be considered final. Any person who fails to request an administrative appeal or pay the fine described in this subsection shall be deemed to have refused to pay the fine levied by the citation and shall authorize the city to proceed to collect the fine and all possible administrative fees in any manner available to the city.

- (3) All payments made by a person regarding a citation issued under this article shall be paid only to the finance department or parking division.

(d) *Administrative appeal of parking citation.* Any person cited for a violation of this article may contest the determination that a violation occurred by submitting to the city a notice of administrative appeal of the parking citation within the time parameters set forth in subsection (c) of this section. The notice of appeal must contain a written statement detailing the appellant's argument that the citation was issued in error and may include photographs, or any other information the appellant wishes to rely upon. Parking division manager ("administrative reviewer") shall review the information submitted and, within twenty (20) calendar days of receipt of the notice of appeal, the city shall inform the appellant via regular mail or other communication approved by the appellant, whether the citation is affirmed, modified, or dismissed. If the citing officer's decision is affirmed or modified, the petitioner shall have twelve (12) calendar days from the date of official communication of the administrative reviewer's decision to pay the penalty. Failure to pay within the twelve (12) calendar day period shall result in the assessment of an administrative fee as established by resolution which shall be in addition to the penalty, and shall authorize the city to proceed to collect the fine and all administrative fees in any manner available to the city.

(e) *Rehearing and judicial review.*

- (1) The city administrator or a designee shall be responsible for review of an administrative reviewer's decision. In no event shall the administrative reviewer whose decision is being reviewed be the designee.
- (2) A request for review of a decision of an administrative reviewer shall be submitted to the city administrator or designee within twelve (12) calendar days of the administrative reviewer's determination. This written request may include a request for a hearing. Upon receipt of such request, the city administrator or designee will schedule a time and place for hearing within twenty-one (21) calendar days of receipt of the request and will provide written notice of the date and time to the appellant. The city administrator or designee shall have the power to review the facts and the law in order to affirm, reverse, or modify any original decision for error of fact or law.

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- (3) Procedure. The hearing shall afford a reasonable opportunity for appellant(s) to demonstrate by the statements of witnesses and other evidence that the citation was invalid or unjustified. The city administrator or designee shall establish the necessary rules and regulations regarding the conduct of such hearings.
 - (4) Appearance of officer. The officer or other person authorized by the city who issued the citation shall not be required to appear at the hearing unless the city administrator or a designee determines that the officer's presence is required. The city administrator or a designee may grant one postponement if the officer is not available at the time of the hearing.
 - (5) Determination. At the conclusion of the hearing, the city administrator or a designee shall immediately render a decision, either finding the appellant liable and assessing a fine in the appropriate amount as authorized by the BMCC or declaring the violation unproven.
 - (6) Failure to appear. Failure of the appellant to appear at a hearing when required to appear shall constitute an admission of the parking violation and shall subject the person charged with the violation to the appropriate fines and costs assessed by the city acting through the city administrator or a designee and shall authorize the city to proceed to collect the fine and all administrative fees in any manner available to the city.
 - (7) The decision of the city administrator or a designee shall be the final decision by the city and the appropriate fines and costs assessed by the city acting through the city administrator or designee shall be due immediately. Any person aggrieved by a decision may file a petition for judicial review in the Billings Municipal Court. An appeal must be brought within thirty (30) calendar days from the date of the decision of the city administrator or a designee, and shall be confined to review of the record and questions of law.

(Code 1967, § 11.80.050; Ord. No. 88-4758, § 13, 4-18-88; Ord. No. 93-4945, § 1, 4-26-93; Ord. No. 24-5890, § 4, 8-26-24)

Sec. 24-1007. Authorization to tow or use vehicle immobilizer.

In addition to, or as an alternative to towing, the city administrator or designee is authorized to use a vehicle immobilizer ("boot") to immobilize any vehicle that is parked in a city parking space or along any right-of-way within the city limits and that has any number of unpaid parking tickets totaling two hundred dollars (\$200.00)~~fifty dollars (\$50.00)~~ or more.

(Ord. No. 91-4883, § 3, 8-5-91; Ord. No. 93-4945, § 2, 4-26-93; Ord. No. 04-5270, § 1, 4-12-04; Ord. No. 06-5385, § 1, 9-11-06)

Sec. 24-1008. Procedure for vehicle immobilization.

If the city administrator or designee chooses to immobilize a vehicle with a boot as allowed by section 24-1007, then the city administrator or designee shall conspicuously affix to such vehicle a notice in writing notifying the owner, driver or person in charge of such vehicle that such vehicle has unpaid parking tickets totaling two hundred dollars (\$200.00)~~fifty dollars (\$50.00)~~ or more and will be immobilized in forty-eight (48) hours. After forty-eight (48) hours the city administrator or designee shall conspicuously affix to such vehicle a notice in writing notifying the owner, driver or person in charge of such vehicle: that such vehicle has been immobilized by the city for violation of one or more provisions of this chapter; that release from such immobilization may be obtained at a designated place; that unless arrangements are made for the release of such vehicle within forty-eight (48) hours the vehicle will be impounded and towed as provided in section 24-1009; and that removing or attempting to remove the immobilization device from the vehicle, or removing or attempting to move the vehicle from the place at which the immobilization device was affixed to the vehicle before a release is obtained is unlawful.

It shall be a misdemeanor punishable as provided in section 1-110 for any person to remove or attempt to remove any immobilization device or to move any immobilized vehicle from the place at which the immobilization device was affixed to the vehicle before a release is obtained from the city administrator or designee. An immobilized vehicle shall not be released by the city until a fee of one-hundred dollars (\$100.00) for the immobilization is paid, together with payment of all outstanding parking fines, or posting of bond as allowed by subsection 24-1009.5(b).

If the vehicle has remained immobilized for a period of forty-eight (48) hours and a release has not been obtained, then the city administrator or designee shall have the vehicle impounded and towed as provided in section 24-1009.

(Ord. No. 91-4883, § 5, 8-5-91; Ord. No. 04-5270, § 1, 4-12-04; Ord. No. 06-5385, § 2, 9-11-06)

Editor's note(s)—Ord. No. 91-4883, § 4, adopted Aug. 5, 1991, repealed former § 24-1008, relative to official neglect in fine disposition, and § 5 of said Ord. No. 91-4883 enacted a new § 24-1008 to read as herein set out. The provisions of former § 24-1008 derived from Code 1967, § 11.80.100; Ord. No. 88-4758, § 17, adopted April 18, 1988.

Sec. 24-1011. Penalty for violations.

- (a) Except as provided in subsection (b), the city administrator or designee shall establish a bond schedule for parking violations subject to the maximum penalties established in section 1-110 and section 18-1304.
- (b) The penalty for each violation of division 3 – accessible parking for persons with disabilities shall be a fine of \$250.00. The city administrator or designee shall establish a bond schedule for parking violations subject to the maximum penalties established in section 1-110 and section 18-1304.

(Code 1967, § 11.80.120; Ord. No. 87-4731, 4-20-87; Ord. No. 91-4883, § 11, 8-5-91; Ord. No. 02-5232, § 17, 12-9-02; Ord. No. 06-5385, § 4, 9-11-06; Ord. No. 10-5501, § 1, 1-11-10)



Accessible parking ordinance revisions

City Council Work Session
Tracy Scott / Parking Division Manager





Overview

Purpose and proposed changes

- Align City Code with current state and federal requirements
- Update accessible parking terms and space requirements
- Revise the fine and permit review process
- Raise the vehicle boot threshold

BMCC 24-441 to 24-443.1

Accessible parking provisions

- Use current terminology and recognized parking authorizations
- Clarify use of spaces and access aisles
- Refer to current federal and state space and sign rules
- Confirm City on-street, garage, and lot fee language



BMCC 24-445, 24-1004, 24-1011

Fine and citation process

- Set one \$250 accessible parking fine
- Allow three business days to show authorization valid when cited
- Process violations as municipal infractions



BMCC 24-1007 and 24-1008

Fine and citation process

- Raises the unpaid ticket threshold from \$50 to \$200.
- Updates the written 48-hour warning to the \$200 threshold.

State fine range: first violation \$150-\$250; second and following violations

\$250-\$500

Questions
?

Sec. 24-441. Purpose.

The purpose of this division is to provide and allow accessible parking privileges for persons with disabilities~~special parking privileges for certain handicapped persons~~ and to effect certain provisions of MCA Title 49, Chapter 4, Part 3 (section 49-4-301 et seq.). (Ord. No. 84-4571, § 1, 2-27-84)

Sec. 24-442. Definitions.

For purposes of this division, the following terms have the meanings provided below:

- (a) The term Disability parking authorization"special parking permit", as used in this division, means:
- (1) A disability parking permit, disability parking placard, disability license plate, or any other permit, placard, plate, or authorization issued under Montana law as authorizing the use of accessible parking spaces. ~~special handicapped parking permit issued by the state department of justice or a special one hundred (100) percent disabled veteran license plate issued under 61-3-332(10)(c), MCA;~~
 - (2) A disability parking permit, disability parking placard, disability license plate, or any other permit, placard, plate, or authorization issued by another jurisdiction that authorizes the use of accessible parking spaces similar to those issued under Montana law.—~~A distinguishing handicapped person's license plate or placard issued by a foreign jurisdiction.~~
- (b) "Accessible parking space" means a parking space designated for use by a vehicle displaying a disability parking authorization, whether located on public property or on private property available for public use.
- (c) "Access aisle" means the striped or otherwise designated area adjacent to an accessible parking space that is reserved to provide access to or from a vehicle lawfully parked in the accessible parking space.
- (d) "Person with a disability" or "disability" means a person who has a disability that limits or impairs the person's mobility and who meets the eligibility criteria for a disability parking authorization.
- (e) "Vehicle" means any device or conveyance propelled in whole or in part by motor power and used for transporting persons or property, regardless of the number of wheels or physical configuration, including but not limited to automobiles, trucks,

buses, motorcycles, and vehicles powered by gasoline, diesel, electricity, hydrogen, or other sources of power.

(Ord. No. 84-4571, § 2, 2-27-84; Ord. No. 88-4758, § 2, 4-18-88; Ord. No. 93-4944, § 1, 11-15-93)

Sec. 24-443. Accessible parking; extent of privileges; prohibited parking. ~~Extent of privileges.~~

- (a) The ~~disability~~special parking authorization, when lawfully displayed or affixed as required by Montana law,~~permit~~ entitles a person to park a motor vehicle in accessible parking spaces~~special parking spaces reserved for handicapped persons~~ whether on public property or on private property available for public use, when the person for whom the disability parking authorization was issued is using the parking space to enter or exit the vehicle.
- (b) A vehicle ~~may not stop, stand, or park in an accessible parking space unless:~~other than one lawfully displaying a valid special parking permit prominently displayed in the windshield and conveying a handicapped person or special license plates and carrying a one hundred (100) percent disabled veteran may not be parked in a parking space on public or private property that is clearly identified by an official sign as being reserved for use by handicapped persons.
 - (1) The vehicle is lawfully displaying a valid disability parking authorization, and the accessible parking space is being used by the person for whom the disability parking authorization was issued to enter or exit the vehicle; or
 - (2) The vehicle is being used to transport a person with a disability and is temporarily stopping, standing, or parking in the accessible parking space only for the purpose of loading or unloading the person with a disability.
- (c) A vehicle may not stop, stand, or park in an access aisle, regardless of whether the vehicle is lawfully displaying a disability parking authorization.~~Handicapped persons prominently displaying a special parking permit in the windshield or special license plates are exempt from all parking charges and fees imposed for parking on public streets or in designated handicapped places in public parking lots or public parking garages and are exempt from any time limitation imposed upon parking in such area except in areas where:~~
- (d) Vehicles lawfully displaying a disability parking authorization are exempt from any time limitations imposed upon parking in public places along public streets, except in areas where:
 - (1) Stopping, standing or parking of all vehicles is prohibited;
 - (2) Only special vehicles may be parked; or
 - (3) Parking is not allowed during specific periods of the day in order to accommodate heavy traffic. ~~;~~ ~~or~~

In addition, as a local parking management policy intended to encourage off-street parking and preserve on-street parking availability, the City may exempt vehicles lawfully displaying a disability parking authorization from parking charges and fees imposed for parking in designated accessible parking spaces in city-owned or city-operated public on-street timed parking spaces, excluding ten (10) minute and loading zone spaces, public parking lots and public parking garages, unless otherwise posted for security, operational, or facility-management reasons.~~(4) Time limitations are placed on handicapped parking because of security and operational reasons such as handicapped parking spaces at Billings Logan International Airport.~~

(e) Notice of penalty for violation of this division is not required at the site of an accessible parking space.

(Ord. No. 84-4571, § 3, 2-27-84; Ord. No. 85-4630, § 1, 3-18-85; Ord. No. 93-4944, § 2, 11-15-93; Ord. No. 99-5092, § 1, 7-12-99)

Sec. 24-443.1. Requirements for handicapped parking spaces.

- (a) Accessible parking spaces shall be provided, designed, constructed, and located as required by applicable federal and state law.
- (b) Each required accessible parking space shall be identified and signed as required by applicable federal and state law, including the signage requirements of MCA § 49-4-302(6)(a).
- (c) Required accessible parking spaces shall be maintained as required by applicable federal and state law, including the requirements of MCA § 49-4-302(6)(b).~~All handicapped parking spaces constructed after September 30, 1985, and reserved for handicapped persons or special parking permit holders on ways of this state open to the public as defined in 61-8-101, MCA must comply with the following requirements:~~
 - ~~(1) The space must be located on a smooth, level surface as near as practicable to building entrances or walkways that have curb cuts and appropriately designed ramps and access lanes to accommodate wheelchairs.~~
 - ~~(2) If parallel to curbside, the parking space must be separated from an adjacent space, either in the front or the rear, by at least five (5) feet of striped no parking area.~~
 - ~~(3) If at an angle to curbside, the parking space must be at least eight (8) feet wide and free of obstruction if located at the end of a line of angle parking spaces, and each other angle parking space designated for handicapped persons must be at least thirteen (13) feet wide.~~
 - ~~(4) A parking space reserved for handicapped persons must be designated by a sign showing the international symbol of accessibility, indicating that a permit is required, and stating the penalty for a violation. In order to meet~~

~~the penalty statement requirement, signs existing on October 1, 1993, must have attached a decal stating the penalty for a violation. The sign must be attached to a wall or post in such a way that it is not obscured by a vehicle parking in the space.~~

(Ord. No. 93-4944, § 3, 11-15-93)

Sec. 24-445. Penalty.

~~A violation of the provisions in division 3 – accessible parking for persons with disabilities is designated as a municipal infraction. Alleged violations shall be enforced under and subject to the penalties and procedures as provided in article 24-1000. A person who parks a motor vehicle in violation of this division shall be subject to a civil penalty of one hundred dollars (\$100.00). However, a person charged with violating this division shall not be subject to any penalty if within twenty-four (24) hours the person produces in court or the office of the arresting officer a special parking permit that was previously issued to the person and that was valid at the time the citation was issued.~~

(Ord. No. 93-4944, § 4, 11-15-93; Ord. No. 02-5232, § 9, 12-9-02; Ord. No. 10-5501, § 1, 1-11-10)

City Council Work Session

3.

Meeting Date: 10/05/2026

TITLE: School Zone Policy Review and Aggressive Driving Initiative

PRESENTED BY: Kevin Iffland, Assistant City Administrator

Department: City Hall Administration

Presentation: Yes

Legal Review: No

Project Number: N/A

RECOMMENDATION

Staff recommends that City Council direct staff to proceed with a coordinated traffic-safety review that combines CM Lindley's School Zone Policy Review initiative with the City's developing aggressive-driving effort. Staff would prioritize the immediate engineering and traffic review at Will James Middle School and the Grand Avenue/Rehberg Lane crossing, while concurrently developing broader recommendations for school-zone policy, aggressive-driving enforcement, engineering improvements, education, and prioritization of high-risk locations. Any formal policy, ordinance, budget, or traffic-control action would return to Council at a future business meeting.

EXECUTIVE SUMMARY

CM Lindley submitted an initiative requesting a rapid review of the City's School Zone Traffic Control Policy. The initiative proposes a two-phase review: Phase 1 would evaluate Will James Middle School, including the Grand Avenue and Rehberg Lane crossing, and return with a recommended school-zone boundary, speed limit, hours of operation, and related crossing improvements; Phase 2 would review the broader policy that excludes middle and high schools from reduced-speed school zones and return with proposed policy amendments, a prioritized list of sites, cost estimates, and an implementation timeline.

Separately, Council and staff have received an increasing number of concerns regarding speeding, aggressive driving, crosswalk safety, school areas, and traffic enforcement. Because these issues rely on many of the same data, engineering tools, enforcement resources, and public-safety objectives, staff recommends managing them within one coordinated traffic-safety framework rather than as separate efforts. The immediate Will James review would remain on an expedited track and would not be delayed by the broader citywide work.

BACKGROUND (Consistency with Adopted Plans and Policies, if applicable)

The current School Zone Traffic Control Policy reflects a 1989 City Council decision to limit reduced-speed school zones to elementary schools. CM Lindley's initiative asks staff to review that policy and determine whether reduced-speed zones should also be considered at middle and high schools based on engineering and traffic investigations. The initiative identifies Will James Middle School as the immediate priority following the September 24, 2026 pedestrian crash involving a Will James student at Grand Avenue and Rehberg Lane.

Staff proposes organizing the combined work into three related tracks:

1. Immediate Will James / Grand-Rehberg Review – complete the requested engineering and traffic investigation; evaluate an appropriate school-zone boundary, speed, and hours; review signal operations, pavement markings, signage, visibility, turning movements, and other crossing improvements; and coordinate with Billings Public Schools and other roadway jurisdictions as needed.
2. Citywide School Zone Policy Review – review the existing policy, develop consistent engineering criteria for elementary, middle, and high school locations, inventory candidate sites, identify jurisdictional considerations, estimate costs, and recommend an implementation sequence.
3. Aggressive Driving / High-Risk Traffic Locations – use available crash, speed, complaint, and enforcement information to identify recurring problem areas; develop a common process for evaluating complaints; and consider the appropriate combination of engineering, enforcement, education, and communication strategies.

Combining the efforts allows staff to evaluate the full range of traffic-safety tools while maintaining the urgency of the Will James review. It also provides a consistent framework for the growing number of traffic-safety complaints and suggestions being received by Council and staff. This work is consistent with the City's responsibility to manage its transportation system and with the existing Safe Routes to School work referenced in the initiative.

The Aggressive Driving Committee will hold their first meeting on October 6, 2026.

FISCAL EFFECTS

There is no immediate fiscal action requested at this work session. Staff time will be required from Public Works/Engineering, Police, Legal, Planning and City Administration. Future recommendations may include costs for

signage, pavement markings, school-zone flashers or changeable message signs, signal modifications, pedestrian improvements, data collection, and targeted enforcement. Planning-level and site-specific cost estimates, potential funding sources, and any required budget action will be presented with future recommendations.

STAKEHOLDERS

City of Billings
Citizens of Billings
School District 2

ALTERNATIVES

1. Direct staff to proceed with the coordinated three-track approach described above.
2. Direct staff to proceed with the Will James and school-zone policy review separately from the aggressive-driving initiative.
3. Limit the current work to the Will James/Grand-Rehberg review and defer broader school-zone and aggressive-driving work.
4. Provide other direction regarding scope, priorities, timing, or desired deliverables.

Attachments

Initiative

COUNCIL INITIATIVE PROPOSAL FORM

City Code Sec. 2-214(14). *Council Initiatives. This section of the agenda is reserved for individual councilmember requests for future legislative or staff action. These shall be limited to giving direction to staff to assist in formulating policies, work plans, etc. for future consideration of the city council. An initiative moves forward by majority vote of the city council.*

City Charter Sec. 3.08. *Interference with Administration. Except for the purposes of inquiries and investigations, the Council, its members and the Mayor shall deal with the City officers and employees who are subject to the direction and supervision of the City Administrator solely through the City Administrator.*

COUNCIL MEMBER PROPOSING INITIATIVE: [COUNCIL MEMBER]

SHORT NAME OF INITIATIVE: SCHOOL ZONE POLICY REVIEW

TERMS OF MOTION PROPOSING LEGISLATIVE OR STAFF ACTION: (Please be as specific as possible. Indicate if action is to be divided into steps or phases. Use separate sheet if needed.)

I move that Council direct staff to conduct a rapid review of the City of Billings School Zone Traffic Control Policy, including the 1989 decision to exclude middle schools and high schools from reduced-speed school zones, and return to Council with recommendations in two phases. Phase 1, within 30 days: an engineering and traffic investigation and a recommended school zone boundary and speed limit for Will James Middle School that includes the Grand Avenue and Rehberg Lane crossing. Phase 2, within 60 days: a proposed amendment to the policy allowing reduced-speed school zones at all middle schools and high schools, with a prioritized list of sites, cost estimates, and a recommended timeline for implementation.

CITY STAFF OR DEPARTMENT POTENTIALLY IMPACTED BY INITIATIVE: Public Works (Engineering and Traffic), Police, City Attorney, City Administrator. External: Billings Public Schools, Montana Department of Transportation if any zone includes a state or commission-designated route.

HAS COUNCIL MEMBER COMMUNICATED WITH CITY ADMINISTRATOR ABOUT THE INITIATIVE?
YES NO

ESTIMATE OF APPROXIMATE STAFF AND COUNCIL TIME REQUIRED: Phase 1: one engineering and traffic investigation at Will James, consultation with the school district, and a short staff memo. Phase 2: policy amendment drafting and a site inventory for the remaining middle and high schools. Council time: one work session item of 30 to 45 minutes and one business meeting action for the policy amendment.

APPROXIMATE TIMELINE FOR STAFF/DEPARTMENT ACTION:

Phase 1 report to Council within 30 days of approval. Phase 2 policy amendment and site list within 60 days. Signage and any flashers installed as soon as the Will James zone is adopted.

COSTS OTHER THAN STAFF TIME, IF ANY: Signage, pavement marking, and speed zone flashers or changeable message signs for each new zone. Staff to provide a per-site estimate in Phase 2. Some sites may be eligible under the Safe Routes to School program already underway.

PRIORITY RELATIVE TO EXISTING INITIATIVES (SEE LIST AVAILABLE FROM CITY ADMINISTRATOR): High. This is a public safety item following a student fatality and should be scheduled ahead of pending initiatives that are not time sensitive.

ADDITIONAL INFORMATION OR COMMENTS:

On September 24, 2026, a Will James Middle School seventh grader was struck by a vehicle while walking to school in the crosswalk at Grand Avenue and Rehberg Lane. There is no reduced-speed school zone at Will James or at any other middle or high school in Billings.

That is a City policy choice, not a state requirement. The City of Billings School Zone Traffic Control Policy states that the City Council eliminated all reduced speed zones at junior high and high schools in 1989, on the reasoning that middle and high school students are expected to assume greater responsibility for their own safety as pedestrians. The policy limits reduced school speed zones to streets directly adjacent to elementary schools.

State law does not draw that line. MCA 61-8-310(1)(d) allows a local authority, on the basis of an engineering and traffic investigation, to decrease the speed limit in a school zone or at a designated crosswalk close to a school to not less than 15 miles per hour, with variable limits by time of day. MCA 61-1-101(69) defines a school zone as the campus, the streets directly adjacent, and as many blocks surrounding the school as determined by the local authority. Council sets the boundary.

Staff has already begun moving past the 1989 policy on a case-by-case basis. Phase Two of the Safe Routes to School program covers middle, county, and private schools, and the proposed projects at Riverside Middle School include a school zone with reduced speed signage. This initiative asks for the policy itself to be reviewed rather than continuing to make exceptions site by site.

Scope of the Review

- **Phase 1: Will James Middle School**
 - Engineering and traffic investigation of the streets adjacent to Will James and the Grand Avenue corridor between the school and Rehberg Lane.
 - Recommended school zone boundary that includes the Grand Avenue and Rehberg Lane crosswalk, recommended speed limit, and hours of operation.
 - Consultation with Billings Public Schools as required by MCA 61-8-310(7).
 - Confirmation of jurisdiction over Grand Avenue and whether MDT consultation is required under MCA 61-8-310(6).
 - Companion crossing improvements staff would recommend at Grand and Rehberg, such as signal timing, leading pedestrian intervals, and turn restrictions during school hours.
- **Phase 2: Policy Amendment**
 - Proposed amendment to the School Zone Traffic Control Policy removing the exclusion of middle schools and high schools and applying the same engineering warrants used for elementary schools.
 - Site inventory for the remaining middle schools and the high schools, with street classification, adjacent posted speeds, and any state or federal-aid route involvement.
 - Prioritized implementation list with per-site cost for signage and flashers.

- Confirmation from the City Attorney that proposed limits and signage comply with MCA 61-8-310 and 61-8-726 as amended in 2025.

Intended Outcome

A reduced-speed school zone at Will James that covers the Grand Avenue and Rehberg Lane crossing, adopted and signed this school year, and a City policy that treats middle and high school students the same as elementary students with regard to the importance of their safety. A lower posted speed alone will not fix a wide arterial, so the review should return crossing improvements alongside the speed zone rather than in place of it.